

UNITED STATES DEPARTMENT OF EDUCATION

WASHINGTON, D.C. 20202

June 1989

CB-89-14

Dear Financial Aid Administrator:

The enclosed form (E40-4P) is used for three purposes under the Supplemental Educational Opportunity Grant (SEOG), College Work-Study (CWS), and Perkins Loan Programs:

- A. Release of 1988-89 unexpended allocations;
- B. CWS Program request for a supplemental 1989-90 allocation for the Community Service Learning Program; and
- C. Reporting of 1988-89 SEOG and/or CWS expenditures for certain eligible students from the Marshall Islands and/or Federated States of Micronesia (if appropriate).


A more detailed description of the purpose of each Section of the form and instructions for its completion are contained in the Attachments (A, B, and C) to this letter.

The deadline for filing the enclosed ED Form E40-4P is a postmark date no later than July 14, 1989. Please return the form to the address shown on the form.

Public reporting of burden for this collection of information is estimated to average .55 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send any comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Education, Information Management and Compliance Division, Washington, D.C. 20202-4657; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503. Do not return the Form E40-4P to these addresses.

Questions regarding Sections A and B should be referred to the Campus-Based Programs State Representative who serves your State (See attached listing). Questions regarding Section C should be referred to the Campus-Based Program Administration Section, telephone 202-732-3726.

Sincerely,



Roberta B. Dunn

Deputy Assistant Secretary (Designate)
Student Financial Assistance Programs



William L. Moran
Director, Student Financial
Assistance Programs

Attachments

ATTACHMENT A

A - Release of Unexpended 1988-89 Funds for the Campus-Based Programs

We plan to reallocate unexpended funds from the 1988-89 Award Year (July 1, 1988, through June 30, 1989) as supplemental allocations for the 1989-90 Award Year (July 1, 1989, through June 30, 1990) under the Campus-Based Programs. Supplemental allocations will be issued this fall in accordance with reallocation procedures contained in the December 1, 1987, final regulations for the Campus-Based Programs.

The funds that your institution received for expenditure during the 1988-89 Award Year are part of the Fiscal Year 1988 appropriation. The Department of Education has authority to reallocate these funds to institutions until the close of this fiscal year on September 30, 1989. Because your institution's 1988-89 fiscal operations report is not due until September, we ask that you provide us with advance notice of the amount of your unexpended allocation for each of the programs.

If you have expended the full amount of your 1988-89 allocation of Federal funds in all three programs, you need not respond to Section A. If you have not expended all of your funds, you must determine as accurately as possible what your unspent balance(s) will be in each of the Campus-Based Programs in which you participate. It is important that you provide us with this information because many institutions are in need of supplemental 1989-90 funds. In order to determine whether or not you have an unexpended balance, you must take into consideration any administrative cost allowance you wish to claim and any CWS funds that you carried back into the 1987-88 Award Year or will carry forward into the 1989-90 Award Year.

When you submit your Fiscal Operations Report and Application to Participate (FISAP) later this year, the amount entered as your 1988-89 adjusted allocation must equal the original plus any supplemental allocation minus the amount reported as unexpended on the enclosed Form E40-4P. Any unexpended 1988-89 funds, which you do not release now, cannot be reallocated and will revert to the U.S. Treasury.

PLEASE NOTE: The 1988-89 authorization in your Department of Education Payment Management System (ED/PMS) account will be reduced in September by the amount of any unexpended funds you report in July. Do not report cents.

Supplemental allocations for 1989-90 will be distributed in late September 1989, to qualifying institutions on the basis of unmet fair share shortfalls, using data which we already have in the 1989-90 funding system. Therefore, do not submit an application for these 1989-90 supplemental funds. (Section B contains an exception to this procedure.)

ATTACHMENT B

Section B - CWS Request for 1989-90 Supplemental Funds for the Community Service-Learning Program (CSL).

Section 442(e)(2) of the Higher Education Act of 1965, as amended, (HEA) requires the Secretary to use up to 25 percent of the pool of funds available for reallocation each year to issue supplemental CWS allocations to applicant institutions for the purpose of "initiating, improving, and expanding programs of community service-learning conducted in accordance with Section 447 of this part." Therefore, CWS-CSL supplemental allocations may be used only for administrative expenses related to the development of work-study programs involving the employment of CWS-eligible students in community service-learning activities.

Permissible expenditures from a CWS-CSL supplemental allocation are detailed as follows:

- o A supplemental CWS-CSL allocation may be used only for CSL administrative expense purposes and an institution is not required to provide any institutional share of such expenditures.
- o Anyone (including students) may be employed to perform administrative functions directly related to initiating, improving and expanding CSL employment for CWS-eligible students. Up to 100 percent of the earnings of those individuals who perform administrative functions may be paid from the CWS-CSL supplemental allocation.

CWS-CSL supplemental allocations may not be:

- o used as the Federal share of regular CWS employment (This includes the employment of students in CSL jobs on behalf of low-income individuals, for which the institution must use its regular CWS allocation.);
- o included in the computation of the administrative cost allowance authorized by Section 489 of the HEA;
- o carried-forward and/or carried-back, or included in the computation of the maximum amount for carry-forward/carry-back;
- o transferred to SEOG, or included in the computation of the maximum amount for transfer to SEOG;
- o considered part of the institution's Job Location and Development Program (JLD) expenditures (either regular JLD or CSL-JLD), or included in the computation of the maximum amounts for JLD expenditures (either regular JLD or CSL-JLD).

Attachment B - continued

If your institution wants to request a 1989-90 CWS supplemental allocation under the above stipulations, you must provide the following information in Section B of this form:

Item 4 - Enter the Federal share of any compensation earned by students in 1988-89 in CSL jobs under the CWS Program. Enter zero if you plan to initiate CSL programs beginning in 1989-90.

Item 5 - Enter the number of students that earned the compensation reported in line 4.

Item 6 - Enter the amount of supplemental 1989-90 CWS-CSL Federal funds that your institution is requesting for initiating, improving and expanding CSL programs, as stipulated above.

Do not complete Section B unless your institution is able to expend supplemental CWS-CSL funds under these legislatively-mandated limitations. Supplemental CSL allocations will be issued in late September.

ATTACHMENT C

Section C - Federal Funds Expended to Aid Students Under the Compacts of Free Association During the 1988-89 Award Year

Section C of the enclosed ED Form E40-4P is to be completed only if you disbursed SEOG and/or CWS funds to certain eligible students from the Marshall Islands and/or the Federated States of Micronesia, from July 1, 1988, through June 30, 1989. Report the number of students and the total amount of SEOG awards to those students. Report the number of students employed and the Federal share of CWS total earned compensation paid to those students. The information provided will serve as the basis for separate 1989-90 awards to your institution for this purpose, and will allow the Department to account for funds transferred from the Department of the Interior.

Enter in Section C only those students from either the Marshall Islands or the Federated States of Micronesia who were enrolled at an institution of postsecondary education on the day preceding the effective date of the Compacts of Free Association, October 21, 1986, for the Marshall Islands and November 3, 1986, for the Federated States of Micronesia. Funds to aid these students must have come from a special 1988-89 allocation issued to your institution for that program. You may not use regular program funds to aid any such students. In September we will issue 1989-90 SEOG and/or CWS funds to those institutions that provide 1988-89 expenditure data in Section C.

For guidance on how to treat students from either the Marshall Islands or the Federated States of Micronesia who enrolled at your institution after the dates provided above, please see our "Dear Colleague" letter (GEN-88-34) dated October, 1988.

Campus Based Programs
State Representatives
Financial Management Section

Allen, Regina	(202) 732-3747	LA,ME,MD,MI,MA
Brown, Ilene	(202) 732-3749	MN,MS,MO,NV,OH
Delane, Rhonda	(202) 732-3755	AR,DC,HI,TX,VA
Donelson, Sandra	(202) 732-3751	FL,GA,MT,TN,UT,WY,GU
Jones, Carol	(202) 732-3748	AL,AK,AZ,CO,CT,DE, KY ,RI,VT
Morris, Joe	(202) 732-3745	ID,IL,IN,IA,KS
Payne, Alice	(202) 732-3754	CA
Porter, Jim	(202) 732-3752	NC,ND,OR,SD,WA,WV
Proctor, Dorothy	(202) 732-3746	NY,OK,WI,PI,VI
Short, Carolyn	(202) 732-3756	NE,NH,NJ,NM,PA,SC
Vacant	(202) 732-3757	PR

Campus Based Reallocation Form

Name of Institution : _____

Address of Institution : _____

City

State

Zip Code

Entity Number: 1- _____ - _____ - _____

Serial Number: _____

(4 digits)

SECTION A -- INSTITUTIONAL RELEASE OF 1988-89 UNEXPENDED ALLOCATIONS FOR THE SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT, COLLEGE WORK-STUDY AND PERKINS LOAN PROGRAMS

	Supplemental Educational Opportunity Grant (SEOG)	College Work-Study (CWS)	Perkins Loan Federal Capital Contribution (FCC)
Unexpended 1988-89 Allocation	(1) \$	(2) \$	(3) \$

SECTION B - COLLEGE WORK-STUDY PROGRAM REQUEST FOR SUPPLEMENTAL 1989-90 ALLOCATION FOR THE COMMUNITY SERVICE-LEARNING PROGRAM (CSLP)

Program	1988-89 Federal Share of Earned Compensation	1988-89 Number of Students Employed	1989-90 Supplemental Allocation Requested
Community Service-Learning Program (CSLP)	(4) \$	(5)	(6) \$

SECTION C -- FEDERAL EXPENDITURES FOR ELIGIBLE STUDENT RESIDENTS UNDER THE COMPACT OF FREE ASSOCIATION

Program	Number of Students Aided	Federal Share of Expenditures for the 1988-89 Award Period
Supplemental Educational Opportunity Grant (SEOG)	(7)	(8) \$
College Work-Study (CWS)	(9)	(10) \$

Signature and Title of Preparer

Telephone Number: () _____ Ext. _____

Return this form postmarked by July 14, 1989, to:

U.S. Department of Education
SFAP, DPOS, CBPB
Financial Management Section
Room 4621 ROB-3, 400 Maryland Avenue, SW
Washington, D.C. 20202-5452

Typed Name: _____

Date Signed: _____

WARNING Any person who knowingly provides false or misleading information on this form will be subject to a fine of up to \$10,000 or to imprisonment of up to 5 years or to both under provisions of the United States Code Title 18 Section 1001